

Kentucky becomes first state to impose Medicaid work requirements

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On January 12, Kentucky became the first state to be granted a waiver allowing it to impose work requirements on recipients of Medicaid, the health insurance program for the poor, disabled and elderly jointly administered by the federal government and the states.

The Center for Medicaid and Medicaid Services (CMS) confirmed it had approved the waiver, just one day after the Trump administration announced it would authorize states to make such changes to their Medicaid programs. Another nine states—Arizona, Arkansas, Indiana, Kansas, Maine, New Hampshire, North Carolina, Utah and Wisconsin—have applied for similar waivers.

Kentucky's euphemistically-named "Community Engagement and Employment Initiative" will require all "able-bodied" adults between ages 19 and 64 to work or volunteer for at least 80 hours a month. Those who cannot provide documented proof of work, sickness, or monthly volunteer hours will be given a warning and a month to "cure" their noncompliance, after which they will be dropped from the program. In addition, the state will be allowed to levy premiums on Medicaid participants, ranging from \$1 to \$15 monthly; those who fall behind on payments will be subject to suspension of their benefits. These changes will begin to take effect in July.

The waiver has been a political victory for Republican Governor Matt Bevin, who ran in 2015 on promises to reverse the state's expansion of Medicaid. In a news conference last Friday, he brayed that Kentucky's waiver constituted "the most transformational entitlement reform that has been seen in a quarter of a century."

Such boasts are illustrative. Twenty-two years ago, the Clinton administration's Personal Responsibility

and Work Opportunity Reconciliation Act (PRWORA) gutted Aid to Families with Dependent Children (AFDC) under the pretext of welfare "reform." The act imposed stringent eligibility requirements on welfare recipients, most of whom lost benefits that became out of their reach under new income and work requirements.

Bevin has framed Kentucky's new Medicaid work initiative as a moral victory, stating that Kentucky's poor would now "be given a path forward and upward so they can do for themselves." Such jargon conveniently ignores the fact that 60 percent of Medicaid participants already work 40 hours or more weekly. Bevin's goal is not to empower the poor or to free them from a supposed "dead-end entitlement trap," but to eject as many people as possible from the state's Medicaid rolls. His office estimates that 350,000 Kentuckians will be affected by the new initiative and that within five years it will have resulted in 100,000 fewer Medicaid enrollments, saving the state \$2.4 billion.

Like the drop in welfare rolls effected by PRWORA, this drop in enrollment will simply mean a drop in eligibility—not a decrease in need. Leonardo Cuello, the health policy director at the National Health Law Program, said the initiative, "will harm thousands upon thousands Kentuckians and contains numerous violations of the Medicaid statute." Cuello said the NHLP "is very, very carefully considering taking legal action."

"Changing Medicaid will do nothing to help Americans find jobs," Brad Woodhouse, director of Protect Our Care Campaign, stated. "It will merely take away their health care."

Bevin has responded by threatening to end Kentucky's Medicaid expansion should his scheme be

blocked by the courts. “The Commonwealth will not be able to afford to continue to operate its Medicaid expansion program as currently designed in the event any one or more of the components of (the new initiative) are prevented by judicial action,” he wrote. Rolling back the state's Medicaid expansion would take health care away from some 400,000 people.

Bevin's threat further exposes the absurdity of the claims by the Trump administration that Medicaid work requirements are designed to improve public health outcomes. As *World Socialist Web Site* reported earlier, most adults on Medicaid “have significant physical and/or mental health disabilities but have not been able to qualify for Supplemental Security Income (SSI) under the Social Security government retirement program, whose criteria are stringent.” Under schemes such as Bevin's, such people would be ineligible for Medicaid despite being unable to work because of their health.

The CMS' approval of waivers such as Kentucky's are not intended to reform Medicaid, but to gut it just as PRWORA gutted welfare.

States are banned from using Medicaid funds to create job training or addiction recovery programs, which means that people will simply be dropped from Medicaid with no viable path to employment or alternative insurance programs. The few who find their way to the job market will provide the employers with a fresh batch of desperately poor workers who can be used to keep wages low.

While the CMS states that medically frail, elderly, and pregnant people will not be subject to the work requirements, it does not explicitly prohibit the states from imposing work requirements on these populations. The states are given wide latitude, and the result will be a deepening of poverty. Kentucky's waiver program, like those which will inevitably follow, represents a blatant attack on the working class and the poor and Bevin's and the CMS' platitudes on the value of hard work cannot paper over this fact.



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